

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 1989-230-EG - ORDER NO. 2007-730  
OCTOBER 9, 2007

IN RE: Investigation of Property Transfers     ) ORDER APPROVING  
from South Carolina Electric and Gas     ) PROPERTY TRANSFER  
Company, SCANA, Other SCANA     ) OUTSIDE COMPETITIVE  
Affiliates and Non-Affiliated Entities     ) BIDDING PROCESS  
and Allocation of Expenses, Revenue     )  
and Plant between South Carolina     )  
Electric and Gas Company, SCANA     )  
and SCANA Affiliates     )

This matter comes before the Public Service Commission of South Carolina (“Commission”) on a request by South Carolina Electric & Gas Company (“SCE&G” or the “Company”) for approval to waive the bidding requirement of Order No. 92-931 (dated November 13, 1992) and authority to exchange properties in Saluda County with T. H. Poultry, Inc., an adjacent property owner. According to the Application, SCE&G seeks to transfer one tract of 43.5 acres of forested land and one tract of 76.09 acres of forested land, with a combined value of \$513,460, for 74.3 acres of nearby timberland owned by T.H. Poultry, Inc. (“Hall Tract”), which is valued at \$163,460. These properties are located in the vicinity of Clouds Creek in Saluda County, and SCE&G’s use of the two tracts of land that it proposes to swap is limited to forest management. SCE&G states the purpose of this transfer is to protect the watershed of Lake Murray and provide future recreational opportunities along the Lake’s tributaries and coves.

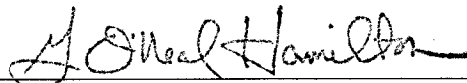
Under the terms of the exchange agreement between SCE&G and T.H. Poultry, SCE&G will receive the Hall Tract, bordering the project boundary line of the Saluda Hydro Electric Development Project along Clouds Creek, as well as \$350,000. Additionally, SCE&G will receive a recorded easement across other property owned by T.H. Poultry, providing ingress and egress to approximately 50 acres of land associated with the Saluda Hydro Electric Development Project. To accomplish this land swap outside of the competitive bidding process, SCE&G seeks a waiver of Order No. 92-931.

Order No. 92-931 articulates the requirement that SCE&G must engage in a competitive bidding process if it seeks to engage in the sale of real property worth in excess of \$50,000. The purpose of this bidding requirement is to protect against affiliate preferences and insure that SCE&G disposes of real property in a manner which promotes fair and equitable treatment of the parties to the transaction, potential bidders, and SCE&G customers.

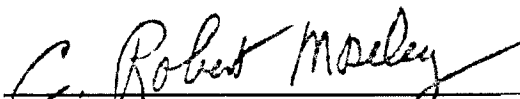
We find that the purpose of this land swap is for the protection of a portion of the Lake Murray watershed and to protect future recreational opportunities, not to promote affiliate preferences. We further find that the public interest is served in this property transfer and, therefore, waive the competitive bid requirement of Order No. 92-931. Consequently, authority for SCE&G to transfer the above mentioned properties with T.H. Poultry, Inc. is granted.

This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:

  
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G. O'Neal Hamilton, Chairman

ATTEST:

  
\_\_\_\_\_  
C. Robert Moseley, Vice Chairman

(SEAL)